
Emergency Rules

Title 15—ELECTED OFFICIALS Division 40—State Auditor Chapter 3—Rules Applying to Political Subdivisions

EMERGENCY RULE

15 CSR 40-3.140 Calculation and Revision of Property Tax Rates by School Districts that Calculate a Single Property Tax Rate Applied to All Property

PURPOSE: This rule applies to school districts that calculate a single property tax rate applied to all property and is designed to implement section 137.073, RSMo as it applies to calculating and revising property tax rates.

*EMERGENCY STATEMENT: Senate Bill No. 960, 92nd General Assembly (2004) amended section 173.073.6, RSMo, to require that all forms for the calculation of property tax rates pursuant to this section shall be promulgated and not incorporated by reference. The new law became effective on August 28, 2004. The state auditor was required to promulgate rules within thirty (30) days of the effective date. The Missouri State Auditor's Office finds a compelling governmental interest in establishing an early effective date for this emergency rule in order to implement the statutory requirements of section 137.073, RSMo as enacted by Senate Bill No. 960, 92nd General Assembly—2004 amending section 137.073.6, RSMo with regard to procedures for calculating and revising property tax rates. This emergency rule sets forth the formulas to be used in calculating various property tax rates. The forms with instructions have been adopted and approved for use by the school districts or political subdivisions other than school districts to calculate property tax rates. These forms should be used to compute and substantiate the annual tax rate ceiling(s) pursuant to requirements of the *Missouri Constitution* Article X, Section 22 and section 137.073, RSMo. Under the old rule the formulas were incorporated by reference. The scope of this emergency rule is limited to the circumstances creating an emergency and requiring emergency action. The State Auditor believes this emergency rule is fair to all interested persons and parties under the circumstances. This rule filed September 24, 2004, effective October 4, 2004, expires April 1, 2005.*

(1) The following forms with instructions, included herein, have been adopted and approved for use by the school districts to calculate a single property tax rate for all property. These forms should be used to compute and substantiate the annual tax rate ceiling(s) pursuant to requirements of the *Missouri Constitution* Article X, Section 22 and section 137.073, RSMo:

- (A) Tax Rate Summary Page;
- (B) Form A Computation of Reassessment Growth and Rate for Compliance with Article X, Section 22, *Missouri Constitution* and section 137.073, RSMo;
- (C) Form B New Voter Approved Tax Rate or Tax Rate Increase;
- (D) Form C Debt Service Calculation for General Obligation Bonds Paid for with Property Taxes;
- (E) Form G Initial Calculation of Allowed Recoupment and Calculation of First Year of Recoupment Taken; and
- (F) Form H Calculation of Second and/or Third Year of Recoupment Taken.

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW TAX RATE SUMMARY PAGE - FOR SCHOOL DISTRICTS (2004)

(Name of School District) _____ (School Code) _____ (Purpose of Levy) _____

The information to be shown on the Tax Rate Summary Page is either available from prior year forms, computed on the attached forms, or computed directly on the Tax Rate Summary Page.

- A. **Prior Year Tax Rate Ceiling** as defined in Chapter 137, RSMo. Revised if the Prior Year Assessed Valuation or Estimated State Assessed Revenue Changed. (Prior Year Tax Rate Summary Page, Line F) _____
- B. **Current Year Rate Computed Pursuant To Article X, Section 22** of the Missouri Constitution and Section 137.073, RSMo. (Form A, Line 22) _____
- C1. **Tax Rate Ceiling at the Time of the Election** _____
- C2. **Amount of Rate Increase Authorized By Voters or Increase due to Amendment 2**, if applicable. (Form B, Line 2 if same purpose) Enter the Date the School Board Decided to Use Amendment 2. _____
- D. **Total** [Line B (if no election) otherwise Line C1 + Line C2] _____
- E. **Maximum Authorized Levy** [Greater of Prior Year Line E or Current Year Line D (if there was an election)] _____
- F. **Current Year Tax Rate Ceiling** (Lower of Line D or E) Maximum legal rate to comply with Missouri laws _____
- G. **Less Required Proposition C (Sales Tax) Reduction** (If Applicable)
Circle the type of waiver your district has Full Partial No
Please attach a copy of the DESE Prop C Reduction Worksheet there is no waiver. _____
- H. **Less Voluntary Reduction By School District** _____
- I. **Plus Allowable Recoupment Rate** If Applicable (Attach Form G or H) _____
- J. **Tax Rate To Be Levied** Rate to be Certified MUST be \leq Line F (Line F - Line G - Line H + Line I) _____
- AA. **Rate To Be Levied For Debt Service** If Applicable (Form C, Line 12) _____
- BB. **Additional Special Purpose Rate Authorized By Voters** After The Prior Year Tax Rates Were Set, If Applicable (Form B, Line 2 if a different purpose) _____

CERTIFICATION

I, the undersigned, _____ (Office) of _____ (School District) levying a rate in _____ County(ies) do hereby certify that the data set forth above and on the accompanying forms is true and accurate to the best of my knowledge and belief.

Please complete Lines G – BB, sign this form, and return to either the County Clerk(s) for final certification or the State Auditor's Office for a math check.

(Print Name) _____ (Date) _____ (Signature) _____ (Telephone) _____

Proposed rate to be entered on tax books by County Clerk

Based on Certification from the School District: Lines J _____ AA _____ BB _____

Section 137.073.7 RSMo, states that no tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of this section.

(County) _____ (County Clerk's Signature) _____ (Date) _____

Please submit only 1 copy directly to the State Auditor's Office – if you fax it, DON'T mail it and vice versa.

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW COMPUTATION OF REASSESSMENT GROWTH AND RATE FOR COMPLIANCE WITH ARTICLE X, SECTION 22 AND SECTION 137.073 RSMo

FORM A - FOR SCHOOL DISTRICTS

(2004)

(Name of School District) _____ (School Code) _____ (Purpose of Levy) _____

1. Current Year (2004) Assessed Valuation**

Include the current locally assessed valuation obtained from the County Clerk, County Assessor, or comparable office finalized by the local board of equalization.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

2. Assessed Value of New Construction and Improvements**

2(a) - May be obtained from the County Clerk or County Assessor.

2(b) - Increase in personal property. Use the formula listed under Line 2(b).

(a) _____ + (b) _____ = _____
(Real Estate) Line 1(b) - 3(b) - 5(b) + 6(b) + 7(b) (Total)
If Line 2b is Negative, Enter Zero

3. Assessed Value of Newly Added Territory**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

4. Adjusted Current Year Assessed Valuation

[Line 1 (Total) - Lines 2 (Total) - Line 3 Total]

5. Prior Year (2003) Assessed Valuation**

Include the prior year locally assessed valuation obtained from the County Clerk, County Assessor, or comparable office finalized by the local board of equalization.

Note: If this is different than the amount on the 2003 Form A, Line 1,

then revise the 2003 tax rate form to re-calculate the 2003 tax rate ceiling.

Enter the revised 2003 tax rate ceiling on the 2004 Tax Rate Summary Page, Line A.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

6. Assessed Value of Newly Separated Territory**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

7. Assessed Value of Property Locally Assessed in Prior Year, but State Assessed in Current Year**

May be obtained from the County Clerk or County Assessor.

(a) _____ + (b) _____ = _____
(Real Estate) (Personal) (Total)

8. Adjusted Prior Year Assessed Valuation

[Line 5 (Total) - Line 6 (Total) - Line 7 (Total)]

**** - Mandatory Required Fields to Complete**

Continue to Form A, Page 2 of 3 for Computation of the Tax Rate.

HASH TOTAL (To be computed and used by the State)

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW COMPUTATION OF REASSESSMENT GROWTH AND RATE FOR COMPLIANCE WITH ARTICLE X, SECTION 22 AND SECTION 137.073 RSMo

FORM A - FOR SCHOOL DISTRICTS

(2004)

(Name of School District)	(School Code)	(Purpose of Levy)
.....		
9. Percentage Increase in Adjusted Valuation of existing property in the current year over the prior year's assessed valuation [(Line 4 - Line 8) / Line 8] x 100		_____ %
10. Increase in Consumer Price Index as certified by the State Tax Commission.		<u>2.3000</u> %
11. Adjusted Prior Year Assessed Valuation (Line 8) If Negative, Enter Zero		_____
12. Tax Rate Ceiling from Prior Year (2003) (Tax Rate Summary Page, Line A)		_____
13. Maximum Prior Year Adjusted Revenue from Locally Assessed Property that existed in both years. [(Line 11 x Line 12) / 100]		_____
14.** Maximum Prior Year Revenue from State Assessed Property (before reductions) Provided by the Department of Elementary and Secondary Education.		_____
15. Total Adjusted Prior Year Revenue (Line 13 + Line 14)		_____
16. Permitted Reassessment Revenue Growth <u>The percentage entered on Line 16 should be the lower of the actual growth (Line 9), the CPI (Line 10), or 5%.</u> A negative figure on Line 9 is treated as a zero for Line 16 purposes. Do not enter less than 0, nor more than 5%.		_____ %
17. Additional Reassessment Revenue Permitted (Line 15 x Line 16)		_____
18. Total Revenue Permitted in the Current Year from property that existed in both years (Line 15 + Line 17)		_____
19.** Estimated Current Year Revenue from State Assessed Property (before reductions) The school district should use its best estimate. (i.e. same amount as Line 14, current year's Line 14 multiplied by the percentage increase in state assessed valuation per the State Tax Commission, or using the best educated guess). If this amount declines substantially from the amount on Line 14, please provide written documentation to the State Auditor's Office to explain the reasons for the difference.		_____

.....
** - Mandatory Required Fields to Complete

Continue to Form A, Page 3 of 3 for Computation of the Tax Rate.

Emergency Rules

**QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW
COMPUTATION OF REASSESSMENT GROWTH AND RATE FOR COMPLIANCE
WITH ARTICLE X, SECTION 22 AND SECTION 137.073 RSMo**

FORM A - FOR SCHOOL DISTRICTS

(2004)

	(Name of School District)	(School Code)	(Purpose of Levy)
20.	Revenue Permitted from Existing Locally Assessed Property.* (Line 18 - Line 19)		
21.	Adjusted Current Year Assessed Valuation (Line 4) If Negative, Enter Zero		
22.	Maximum Tax Rate Permitted by Article X, Section 22 and Section 137.073 RSMo. [(Line 20 / Line 21) x 100] Round a fraction to the nearest one/one hundredth of a cent. See the rounding worksheet Enter this rate on Line B of the Tax Rate Summary Page		

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- * To compute the total property tax revenues BILLED for the current year (including revenues from all new construction and improvements and annexed property), multiply Line 1 by the rate on Line 22 and divide by 100. The property tax revenues BILLED would be used in estimating budgeted revenues.

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW NEW VOTER APPROVED TAX RATE OR TAX RATE INCREASE

FORM B - FOR SCHOOL DISTRICTS

(2004)

(Name of School District)

(School Code)

(Purpose of Levy)

**** - Mandatory Required Fields to Complete** (if there was a new voter approved tax rate or tax rate increase).

Since the prior year tax rate computation, some school districts may have held elections where voters approved an increase in an existing tax or approved a new tax. Form B is designed to document the election.

1. Date of election**

2. Amount of Increase Approved by Voters** (An "Increase of" or "Increase by")

Enter this rate on the Tax Rate Summary Page, Line C
(if this is an increase to an existing rate).

or

Enter this rate on the Tax Rate Summary Page, Line BB
(if it is a new rate or replaces a rate that has expired).

State Rate Approved by Voters (An "Increase to")

Enter this rate on the Tax Rate Summary Page, Line D and put
the difference between the Tax Rate Summary Page, Line C1 & the
Tax Rate Summary Page, Line D on the Tax Rate Summary Page, Line C
(if this is an increase to an existing rate).

OR

or

Enter this rate on the Tax Rate Summary Page, Line BB
(if it is a new rate or replaces a rate that has expired)

3. Ballot Language**

Attach a sample ballot or state proposition posed to the voters exactly as it appeared on the ballot.

4. Election results**

(Yes) (No)

5. Expiration Date**

Enter the last year the levy will be in effect, if applicable.

6. Proposition C Waiver**

-Indicate whether the district obtained a new waiver to
eliminate part or all of the required Proposition C Reduction.

(Full) (Partial)

-Attach a sample ballot or state the proposition posed
exactly as it appeared on the ballot.

-Also indicate the election results on the Proposition C Waiver.

(Yes) (No)

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HASH TOTAL (To be computed and used by the State)

Emergency Rules

QUESTIONNAIRE - DATA SUBMITTED TO THE STATE AUDITOR'S OFFICE FOR REVIEW DEBT SERVICE CALCULATION FOR GENERAL OBLIGATION BONDS PAID FOR WITH PROPERTY TAXES

FORM C - FOR SCHOOL DISTRICTS

(2004)

(Name of School District)	(School Code)	Debt Service (Purpose of Levy)
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.....
The tax rate for Debt Service will be considered valid if, after making the payment(s) for which the tax was levied, the bonds remain outstanding, and the debt fund reserves do not exceed the following year's payments. Since property taxes are levied and collected on a calendar year basis (January – December), it is recommended that this levy be computed using calendar year data.

- 1.** **Total current year assessed valuation** obtained from the County Clerk or County Assessor. (Form A, Line 1 Total) _____
 - 2.** **Amount required to pay debt service requirements during the next calendar year (January 2005 – December 2005).** Include the principal and interest payments due on outstanding general obligation bond issues plus anticipated fees of any transfer agent or paying agent. _____
 - 3.** **Estimated costs of collection (collector fees and commissions and Assessment Fund withholdings) and anticipated delinquencies.** Experience in prior years is the best guide for estimating un-collectible taxes. (Usually 2% to 10% of Line 2 above) _____
 - 4.** **Reasonable reserve up to one year's payment** - It is important that the Debt Service Fund have sufficient reserves to prevent any default on the bonds. This will include payments for January 2006 – December 2006. _____
 5. **Total required for debt service** (Line 2 + Line 3 + Line 4) _____
 - 6.** **Anticipated balance at end of current calendar year.** Show the anticipated bank balance at December 31, 2004 (account for any principal or interest due and estimated investment earning in the fund). _____
 7. **Property tax revenue required for debt service** (Line 5 - Line 6) Any current balance in the fund available to meet the Debt Service requirements in the next calendar year is deducted from the total revenues required for Debt Service purposes. _____
 - 8.** **Estimated revenue from state assessed property for debt service for the next calendar year (January – December)** - Must be estimated by the school district. In most instances a good estimate would be the same amount as the state assessed revenues actually placed in the Debt Service Fund in the prior year. _____
 9. **Revenue required from locally assessed property for debt service** (Line 7 - Line 8) _____
 10. **Computation of debt service tax rate** [(Line 9 / Line 1) x 100] Round a fraction to the nearest one/one hundredth of a cent. See the rounding worksheet. _____
 11. **Less Voluntary Reduction By School District** _____
 12. **Actual rate to be levied for debt service purposes *** (Line 10 – Line 11) Enter this rate on the Tax Rate Summary Page, Line AA. _____
-
- * - The tax rate levied may be lower than the rate computed as long as adequate funds are available to service the debt requirements.
- ** - **Mandatory Required Fields to Complete**
- HASH TOTAL (To be computed and used by the State) _____

Emergency Rules

FORM G - RECOUPMENT FORM FOR COMPLIANCE WITH SECTION 137.073.3(2)(a) and (b) FOR SCHOOL DISTRICTS NOT IMPLEMENTING SB960

(2004)

(Name of School District)

(School District Code)

(Purpose of Levy)

If assessments are reduced after tax rates are set and the reductions are due to decisions of the State Tax Commission or a judicial court or are due to clerical corrections, the existing tax rate ceiling may be revised to compensate for the changes described above. A political subdivision may document these changes by filing revised copies of each of the tax rate forms for each year that is affected. These changes should be clearly marked on the revised forms and a written explanation of the revised should be

Before completion of this form, revisions are required to the prior year(s) tax rate forms to determine the revised assessed valuation and revised tax rate ceiling. Revised forms must be filed with the State Auditor before or at the time the recoupment form is filed. **See tab "Input Data" of the Recoupment Calculator for Schools Not Using SB960 on the State Auditor's web site to update the tax rate computation for years 2003, 2002, and/or 2001. Otherwise, manually revise the tax rate computation for years 2003, 2002, and/or 2001.**

After making revisions, a political subdivision may be permitted to levy an additional tax for up to three years to recoup the revenues it was entitled to receive for the preceding one to three year period affected by the revisions. The steps below determine if a recoupment is permissible and document to what extent the political subdivision desires to recoup in the current year.

Start with the third prior year (if applicable) and work forward to the present.

Please provide a written explanation in the space below (or by attaching an explanation) as to why the political subdivision would be eligible for the recoupment process.

CERTIFICATION

I, the undersigned hereby do certify that the data set forth on the accompanying forms is true and accurate to the best of my knowledge and belief.

Name of School District

(Telephone)

(Signature)

District Number

(Date)

(Printed Name)

Purpose of Levy

Emergency Rules

FORM G - RECOUPMENT FORM FOR COMPLIANCE WITH SECTION 137.073.3(2)(a) and (b)
FOR SCHOOL DISTRICTS NOT IMPLEMENTING SB960

(2004)

(Name of School District)	(School District Code)		(Purpose of Levy)
	2003	2002	2001
1. Revised Locally Assessed Valuation After the changes to 2003, 2002 &/or 2001 tax rate(s) have been made. (Revised Form A, Line 1 Total)			
2. Revised Tax Rate Ceiling After the revision to the assessed valuation was made. (Revised Tax Rate Summary Page, Line F)			
3. Revised Permissible Locally Assessed Tax Revenue [(Line 1 x Line 2)/100]			
4. Revised Locally Assessed Valuation (Form G, Line 1 Total)			
5. Original Tax Rate Ceiling (Original Tax Rate Summary Page, Line F)			
6. Total Locally Assessed Tax Revenue Actually Produced [(Line 4 x Line 5)/100]			
7. Revenue Loss Due to Local Assessment Reduction (Line 3 - Line 6)			
8. Estimated Lost Revenue from State Assessed Property Due to Revised Rates or State Assessment Reductions This amount <u>must be</u> estimated by the District on the "Input Data" tab.			
9. Total Lost Revenue Allowed to be Recouped (Line 7 + Line 8)			
10. Total Revenue Loss (Total of Line 9)			
11. Revenue Desired to Recoup in Current Year Revenue the District chooses to recoup in the current year. Enter the desired revenue to recoup in the highlighted cell. (Do Not Enter Less than Line 9 for the Year 2001 Nor More than Line 10)			
12. Estimated Amount of Current Collections from State Assessed Property for Recoupment of Loss This amount <u>must be</u> estimated by the District. Enter the estimate in the highlighted cell.			
13. Amount to be Recouped from Locally Assessed Property (Line 11 - Line 12)			
14. Total Current Year (2004) Locally Assessed Valuation Enter the assessed valuation in the highlighted cell. [Current (2004) Form A, Line 1]			
15. Rate to be Levied to Partially or Fully Recoup the Loss (Line 13 / Line 14 x 100) Enter this rate on the current year (2004) Tax Rate Summary Page, Line I.			

Complete lines 16 and 17 IF Line 11 is less than Line 10

Form H will Need to be Completed to Continue this Recoupment in the 2nd & / or 3rd Year

- | | |
|--|--|
| 16. Portion of revenue on Line 9 for year 2002 reserved for second year of recoupment | |
| 17. Portion of revenue on Line 9 for year 2003 reserved for second or third year of recoupment | |

Form G Page 2 of 2

Emergency Rules

FORM H COMPUTATION OF RECOUPMENT RATE FOR SCHOOL DISTRICTS (2004)

(Name of Political Subdivision) (Political Subdivision Code) (Purpose of Levy)

Assessment reductions ordered after tax rates are set may result in a loss of revenue. In certain instances, a separate recoupment rate may be levied in a subsequent year to replace the revenue lost (See Form G). A school district may choose not to fully recoup the revenue lost in one year. A three-year period following the year in which the loss occurred is allowed by statute for recouping the lost revenues. Form H is used to document the revenue remaining to be recouped and the allowable recoupment rate when there is a carry over. **Before completion of this form, Form G must have been completed in a prior year.**

COMPUTATION OF RECOUPMENT RATE

1. **Total revenue lost due to assessment reductions**
from Form G, Line 9 (Form G was completed in a previous year) _____
2. **Revenue recouped in prior years**
 - a. $\frac{[(\text{Assessed Valuation} \times \text{Recoupment Rate})]}{100}$ _____
(Year)
 - b. Plus: Revenues recouped from state assessed property _____
 - c. $\frac{[(\text{Assessed Valuation} \times \text{Recoupment Rate})]}{100}$ _____
(Year)
 - d. Plus: Revenues recouped from state assessed property _____
3. **Total revenue recouped in prior years**
(Line 2a + Line 2b + Line 2c + Line 2d) _____
4. **Revenue remaining to be recouped**
(Line 1 - Line 3) _____
5. **Revenue desired to be recouped in the current year**
The law provides for recoupment no further back than the third prior year. For example, if the recoupment rate is being computed for 2004, the revenue lost from 2001 must be recouped or waived. _____
6. **Revenue that will be recouped from state assessed property in the current year** _____
7. **Revenue to be recouped from locally assessed property in the current year** (Line 5 - Line 6) _____
8. **Total current year assessed valuation**
Obtained from the County Assessor or County Clerk
(Form A, Line 1 Total) _____
9. **Recoupment rate for the current year**
[(Line 7 / Line 8) x 100] _____

CERTIFICATION

I, the undersigned, _____ of _____
(Office) (School District)
located in _____ do hereby certify that the data set forth above is true and accurate
County(ies)
to the best of my knowledge and belief.

(Signature)

(Date)

(Print Name)

(Telephone)

Emergency Rules

*AUTHORITY: section 137.073.6, RSMo Supp. 2003, as amended by Senate Bill 960, 92nd General Assembly—2004. A version of this rule was previously filed as 15 CSR 40-3.120. Emergency rule filed Sept. 24, 2004, effective Oct. 4, 2004, expires April 1, 2005. An emergency rule covering this same material will be published in the Nov. 1, 2004 issue of the **Missouri Register**.*